

## MULTISOL EUROPE LIMITED

### **DIRECTORS' STATEMENT OF COMPLIANCE WITH DUTY TO PROMOTE THE SUCCESS OF THE COMPANY**

Under section 172(1) of the Companies Act 2006, the Board has a duty to act in good faith and in a way that would be most likely to promote the success of the Company for the benefit of its shareholder whilst having regard to matters set out in S172(1) (a f) of the Act:

- a) the likely long term consequences of decisions;
- (b) the interest of the Company's employees;
- (c) the need to foster the Company's business relationships with suppliers, customers and others;
- (d) the impact of the Company's operations on the community and the environment;
- (e) the desirability of the Company maintaining a reputation for high standards of business and conduct; and
- (f) the need to act fairly as between the Company's owners.

To discharge their section 172(1) duties the Board have had regard to the factors set out above and acknowledge that for the business to grow over the long term, a full understanding of the Company's stakeholders is required to ensure that the Board can make informed decisions which factor in stakeholder interest.

#### **Stakeholder engagement**

The Board consider its significant stakeholder groups to be:

##### **(i) Customers and suppliers**

The Company is part of the Brenntag Group, the global market leader in chemical and ingredients distribution. The Brenntag Group's aim is to connect chemical manufacturers (our suppliers) with chemical users (our customers) providing a complete distribution solution rather than just chemical products.

The Brenntag Group's philosophy "ConnectingChemistry" describes Multisol Europe's value creation, purpose and commitment to all partners in the supply chain. The Company supports its business partners in developing and growing their businesses and enables them to expand their market reach.

Multisol Europe provides its business partners with in depth product, application and industry expertise. The Company is able to address the requirements of its suppliers and customers flexibly and with the focus on providing the right solution because we have experts and specialists for the industries in which we operate. Our experts share their knowledge of local conditions and the specific applications of our products, thereby creating real added value for our partners.

The Company's business partners are vital to ensuring the long term success of the Company. This principle remains unchanged and as a business we constantly review our business model with a view to leveraging further potential.

#### **(ii) Employees**

Our employees with their expertise and dedication play a key role in the Company's success and long term prospects. As part of the Brenntag Group, the Company follows the Brenntag global human resources strategy. A key part of this strategy is to promote employee retention and development at every level. We encourage open dialogue, allowing employees to play a part in shaping the Company and foster a change and performance culture.

The internal online group portal supports and promotes the flow of information, communication and cooperation between Brenntag Group employees. The platform brings together Brenntag Group employees and facilitates the sharing of information, experiences and best practice methods.

During the year the Company also participated in the Brenntag global e learning programme, which offers flexible and digital based training on specific professional skills and regional compliance. The programme aims to foster a culture of autonomous learning.

#### **(iii) Shareholders**

Brenntag Group policies and procedures ensure that the Board constantly engage with its ultimate parent company Brenntag SE, which promotes and maintains consistently high standards of current, relevant, compliance. Brenntag SE representatives are actively involved in decisions surrounding strategy, operational performance, capital investments and financial structure and their input is factored into all such decisions.

#### **(iv) The community and environment**

As part of the Brenntag Group, the consideration of the impact on the community and environment is taken at Group level. Further details are available in the Annual Sustainability Report of the ultimate parent company Brenntag SE which is available on the Group's website at: <https://www.brenntag.com/corporate/en/sustainability/>

The Multisol Group operates local programmes across its companies in different countries, enabling its entities to make local contributions to registered charities. Multisol Europe has an active environmental policy and approach for its operations and distribution, and the products distributed by Multisol Europe are mainly focused on delivering industry leading fuel economy and lower emissions performance.

#### **Developments during the year**

The Brenntag Group's transformation programme "Project Brenntag" continued to make very good progress in all areas during the year. "Project Brenntag" is the first step in the Group's comprehensive transformation. It will lay solid foundations for sustainable organic earnings growth in the coming years and extend Brenntag's global market lead through a sharper focus, reduced complexity and even stronger partnerships with customers and suppliers.

Under the new global operating model the Company will form part of the Brenntag Specialties global segment and will aim to serve its business partners and stakeholders faster, better and more comprehensively by focusing even more closely on their specific changing requirements.

The Board's principal decision during the year was to approve the payment of an interim dividend to its immediate parent. The Board considered the long term consequences of paying up its distributable reserves and considered on balance it was in the best interests of its stakeholders as a whole.